

Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 1301 W. Grand Ave., Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-34935
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> SWD		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator COG Operating LLC.		6. State Oil & Gas Lease No.
3. Address of Operator 550 W. Texas AVE. STE. 1300 Midland Texas 79701		7. Lease Name or Unit Agreement Name SWD 4-22-27
4. Well Location Unit Letter <u>H</u> : <u>2310</u> feet from the <u>North</u> line and <u>1060</u> feet from the <u>East</u> line Section <u>4</u> Township <u>22S</u> Range <u>27E</u> NMPM County <u>Eddy</u>		8. Well Number # <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3100' GL		9. OGRID Number 14049
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat SWD Delaware
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water <u>N/A</u> Pit Liner Thickness: _____ mill Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒  
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ P AND A ☒  
 CASING/CEMENT JOB ☐  
 OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. Set CIBP 2470' Tbg. at 1232' Circulate Hole Mud Laden Fluid Cap CIBP. 25 sx Cmt.
2. Tbg. at 1500' Spot 25 sx Cmt. WOC. Tag.
3. Tbg. at 1100' Spot 50 sx Cmt. WOC. Tag.
4. Tbg. at 473' spot 35 sx Cmt. WOC. Tag.
5. Tbg. at 60' Spot 20 sx Cmt. 60' to 3'

**Notify OCD 24 hrs. prior  
to any work done.**

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_ Agent (Basic Energy Services) DATE 10-25-11

Type or print name: Gary Eggleston E-mail address: gary.eggleston@basicenergyservices.com Telephone No. 432-563-3355  
**For State Use Only**

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE 11/16/2011  
 Conditions of Approval (if any):

Approval Granted providing work  
is complete by 2/16/2012

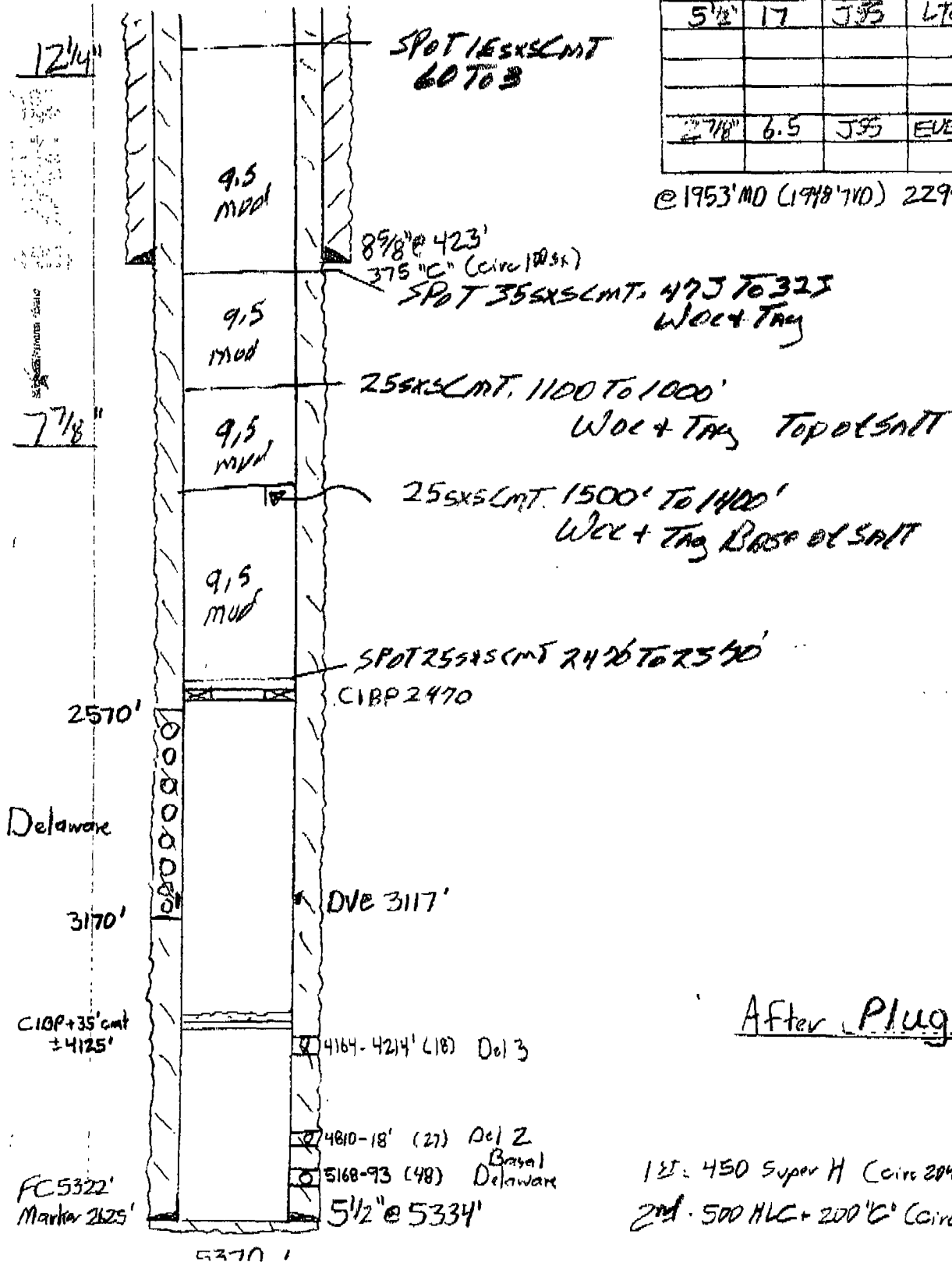
**SEE ATTACHED  
 CONDITIONS OF  
 APPROVAL**

Well: SWD 4-22-27 No. 1Location: 2310' FNL 1060' FEL  
H-4-22-27e  
Eddy NM  
30-015-34935Zero: 14' AGL  
KB: 3114'  
GL: 3100'

Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	JFS	SK	423'
5 1/2"	17	JFS	LTC	5334'
2 7/8"	6.5	JFS	EVE	

@ 1953' MD (1949' TMD) 2294' FNL, 943' FEL

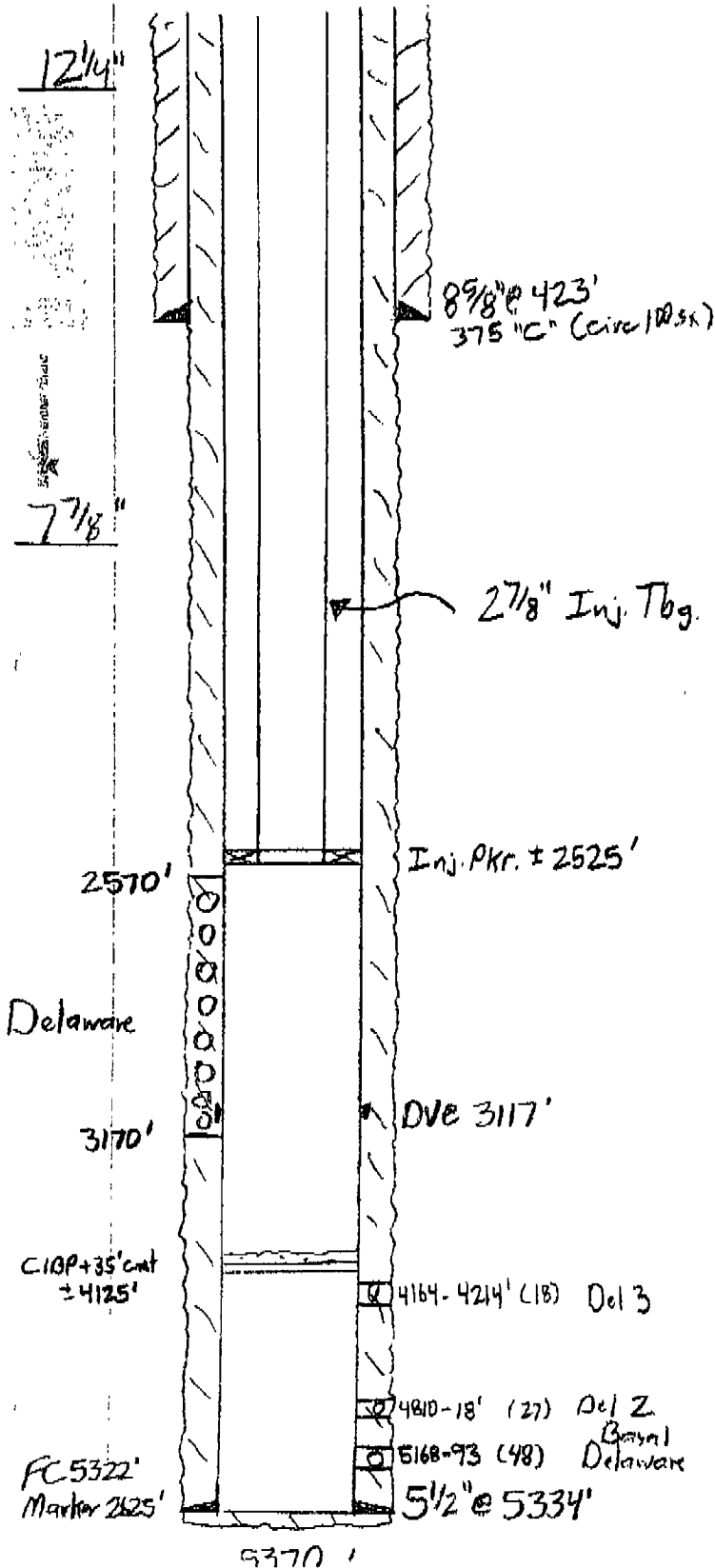


Well: SWD 4-22-27 No. 1Location: 2310' FNL 1060' FEL  
H-4-22g-27e  
Eddy NM  
30-015-34935Elev: 14' AGL  
KB: 3114'  
GL: 3100'

## Casing Program:

Size	Wt.	Grade	Conn	Depth
8 5/8"	24	J55	STC	423'
5 1/2"	17	J55	LTC	5334'
2 7/8"	6.5	J55	EVE	

@ 1953' MD (1918' TVD) 2294' FNL, 943' FEL

After Conversion1st: 450 Super H (circ 209 sk)  
2nd: 500 HLC + 200 "C" (circ 173 sk)

NEW MEXICO OIL CONSERVATION DIVISION  
DISTRICT 2 OFFICE  
811 S. FIRST STREET  
ARTESIA, NM 88210  
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: COG Operating LLC.

Well Name & Number: SWD 4-22-27 #1

API #: 30-015-34935

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

8. Cement Retainers may not be used.

9. Squeeze pressures not to exceed 500 psi., unless approval is given by NMOCD Plugging Supervisor.

10. Plugs may be combined after consulting with NMOCD P & A Supervisor.

11. Minimum WOC time for tag plugs will be 4 hrs.

DG

Date: 11/16/2011